

Diesel and Alternative Fuels Tax

The Special Fuels Tax Act was repealed by the ninety-third Legislature with the passage of LB 1160 and was replaced with the Diesel Fuel Tax Act and the Alternative Fuel Tax Act. This legislation became effective on July 1, 1994.

Diesel fuel includes all combustible liquids suitable for use in diesel-powered motor vehicles. It does not include kerosene. Undyed diesel fuel is subject to tax when it is imported into the state. This does not apply to dyed diesel fuel which is not subject to tax. A taxable import occurs when:

(1) the fuel is withdrawn from a Nebraska pipeline terminal facility; or (2) the fuel is imported into Nebraska via truck or rail. Diesel fuel stored at a Nebraska pipeline terminal facility is not subject to the tax.

Alternative fuel is defined as propane, compressed natural gas, liquefied petroleum gas, liquefied natural gas, electricity, and any other source of energy used to power a motor vehicle, except motor vehicle fuels and diesel fuel.

Table 18

Diesel Fuel Net Taxable Gallons and Net Tax Due

Month	1997 Taxable Gallons	1996 Taxable Gallons	Percent Increase or (Decrease)	1997 Tax Due	1996 Tax Due	Percent Increase or (Decrease)
January	22,322,791	20,245,070	10.26%	\$ 8,632,324	\$ 5,089,946	69.60%
February	19,471,387	18,988,050	2.55	5,000,410	4,761,591	5.02
March	23,270,117	21,275,722	9.37	5,973,519	5,307,009	12.56
April	23,221,637	21,807,522	6.48	5,794,420	5,582,473	3.80
May	24,716,242	20,648,289	19.70	6,122,532	5,312,262	15.25
June	23,520,666	21,137,492	11.27	5,834,234	5,400,545	8.03
July	24,294,208	21,596,293	12.49	6,019,923	5,724,965	5.15
August	23,870,204	21,526,996	10.88	5,884,293	6,135,070	-4.09
September	24,943,394	21,201,801	17.65	6,149,300	5,554,994	10.70
October	28,260,671	25,832,888	9.40	6,892,414	6,545,722	5.30
November	24,694,433	21,795,116	13.30	6,046,542	5,479,982	10.34
December	23,490,325	19,841,743	18.39	5,754,554	5,005,655	14.96
Total	286,076,075	255,896,982	11.79%	\$74,104,465	\$65,900,214	12.45%

Aircraft Fuels Tax

Aircraft fuels tax is imposed upon the importing, producing, refining, manufacturing, compounding, or blending of aircraft fuels in Nebraska for use, distribution, sale or delivery in this state. Aircraft fuels include aircraft gasoline, jet fuel, or any other fuel used exclusively for propelling aircraft.

The tax rate for aviation gasoline is five cents per gallon and the tax rate for aviation jet fuel is three cents per gallon. Revenue from the aircraft fuels tax is credited to the Department of Aeronautics Cash Fund.

Table 19

Aircraft Fuels Net Taxable Gallons and Net Tax Due

Month	1997 Taxable Gallons	1996 Taxable Gallons	Percent Increase or (Decrease)	1997 Tax Due	1996 Tax Due	Percent Increase or (Decrease)
January	4,615,756	4,224,529	9.26%	\$ 139,941	\$ 125,472	11.53%
February	4,115,664	3,972,042	3.62	122,910	118,941	3.34
March	4,575,287	4,381,106	4.43	138,768	131,521	5.51
April	4,016,886	4,300,555	-6.60	121,336	130,713	-7.17
May	4,220,830	4,108,653	2.73	128,805	124,693	3.30
June	4,786,434	4,416,457	8.38	148,047	128,519	15.19
July	5,090,343	4,376,072	16.32	156,427	149,845	4.39
August	5,081,969	4,651,280	9.26	160,561	145,690	10.21
September	4,594,486	4,437,969	3.53	136,115	133,509	1.95
October	4,378,387	4,738,225	-7.59	131,803	141,058	-6.56
November	4,030,571	3,923,436	2.73	120,367	117,065	2.82
December	4,891,917	4,329,642	12.99	145,898	134,018	8.86
Total	54,398,530	51,859,966	4.90%	\$1,650,978	\$1,581,044	4.42%